

HCS SB 395 -- BUSINESS CORPORATIONS

SPONSOR: Bartle (Byrd)

COMMITTEE ACTION: Voted "do pass" by the Committee on Judiciary by a vote of 18 to 0.

This substitute makes several changes relating to business entities. In its main provisions, the substitute:

- (1) Authorizes domestic general partnerships to merge or consolidate with other business entities and establishes a procedure for approving a merger or consolidation;
- (2) Establishes a procedure approving a domestic limited partnership merger or consolidation;
- (3) Establishes that the remedy available pursuant to Section 351.455, RSMo, will be the exclusive remedy only when shareholders have exercised their right to appraisal or have affirmatively elected to accept the offered consideration (except in cases of fraud or lack of authorization for the transaction); and
- (4) Requires persons challenging the applicability of certain articles of incorporation provisions by motion to dismiss to plead supporting facts with specificity. On a motion for summary judgment, challengers have the burden of demonstrating that a genuine dispute exists as to the applicability of the provisions.

FISCAL NOTE: Not available at time of printing.

PROPOSERS: Supporters say that the bill makes needed improvements to corporate law.

Testifying for the bill were Senator Bartle; and Andrew Ruben, Bryan Cave, LLP.

OPPOSERS: There was no opposition voiced to the committee.

Julie Jinkens McNitt, Legislative Analyst